

THE STATE OF TEXAS

COUNTY OF HARRIS

AGREEMENT FOR AUDIO CONTROL SYSTEM SERVICES

I. PARTIES

A. Address

THIS AGREEMENT FOR AUDIO CONTROL SYSTEM SERVICES FOR THE HOUSTON AIRPORT SYSTEM ("Agreement") at George Bush Intercontinental Airport/Houston ("IAH"), William P. Hobby Airport ("HOU") is made on the date of countersignature by the City Controller ("Effective Date") between the **CITY OF HOUSTON, TEXAS ("City")**, a municipal corporation, and **IED SUPPORT SERVICES, LLC ("Contractor")**, a corporation authorized to do business in Texas.

The initial addresses of the parties, which one party may change by giving written notice to the other party, are as follows:

City
Director, Houston Airport System
or Designee
City of Houston
P.O. Box 60106
Houston, Texas 77205-01061

Contractor

Hardison Martin, President
IED Support Services, LLC
9701 Taylorsville Road
Louisville, Kentucky, 40299

The Parties agree as follows:

B. Table of Contents

This Agreement consists of the following sections:

TABLE OF CONTENTS

Page No.

I. PARTIES	1
A. Address	1
B. Table of Contents	1
C. Parts Incorporated	4
D. Controlling Parts	4
E. Signatures	5
II. DEFINITIONS	6
III. DUTIES OF CONTRACTOR	8
A. Scope of Services	8
B. Duty to Inspect	8
C. Invoicing	9
D. Payment of Subcontractors	9
E. Personnel of Contractor	9
F. RELEASE	9
G. INDEMNIFICATION	9
H. RELEASE AND INDEMNIFICATION-PATENT, COPYRIGHT, TRADEMARK, AND TRADE SECRET INFRINGEMENT	10
I. INDEMNIFICATION PROCEDURES	11
J. Insurance	11
K. Warranties	14
L. Maintenance Audit	14
M. Confidentiality	15
N. Use of Work Products	15
O. Licenses and Permits	15
P. Compliance with Laws	16
Q. Compliance with Equal Opportunity Ordinance	16
R. Minority and Women Business Enterprises	16
S. Drug Abuse Detection and Deterrence	16
T. Environmental Laws	17
U. Airport Security	17
V. Conflicts of Interest	18
W. Pay or Play	18
IV. DUTIES OF CITY	18
A. Payment Terms	18
B. Taxes	18
C. Method of Payment - Disputed Payments	19
D. Limit of Appropriation	19
E. Access to Site	20

V. TERM AND TERMINATION	20
A. Contract Term	20
B. Termination for Convenience by City	20
C. Termination for Cause by City	20
D. Termination for Cause by Contractor	21
VI. MISCELLANEOUS	21
A. Independent Contractor	21
B. Force Majeure	21
C. Severability	22
D. Entire Agreement	22
E. Written Amendment	22
F. Applicable Laws	23
G. Notices	23
H. Captions	23
I. Non-Waiver	23
J. Inspections and Audits	23
K. Enforcement	23
L. Ambiguities	24
M. Survival	24
N. Publicity	24
O. Parties In Interest	24
P. Successors and Assigns	24
Q. Business Structure and Assignments	24
R. Dispute Resolution	24
S. Remedies Cumulative	25
T. Contractor Debt	25
U. Nondiscrimination	25

EXHIBITS

- A. PERFORMANCE/WORK STATEMENT**
- A-1 COVERED SYSTEMS AND COMPONENTS**
- B. FEE SCHEDULE**
- C. EQUAL EMPLOYMENT OPPORTUNITY**
- D. MWBE SUBCONTRACTING GOAL WAIVER**
- E. DRUG POLICY COMPLIANCE AGREEMENT**
- F. CERTIFICATION OF NO SAFETY IMPACT POSITIONS**
- G. DRUG POLICY COMPLIANCE DECLARATION**

C. Parts Incorporated

The above-described sections and exhibits, the Request for Proposal for Audio Control System Services for the City of Houston Airport System ("RFP"), all Addenda and Letters of Clarification to the RFP, and Contractor's written responses to the RFP (including the Presentation Report and Best and Final Offer), are incorporated into this Agreement.

D. Controlling Parts

The parts of this Agreement control in the following order of priority:

1. Exhibits;
2. Sections;
3. Addenda and Letters of Clarification;
4. The RFP;
5. Contractor's written responses to the RFP.

E. Signatures

The Parties have executed this Agreement in multiple copies, each of which is an original.

ATTEST/SEAL (if a corporation):

WITNESS (if not a corporation):

"Contractor"

By: *Janis Q. Martin*
Name: JANIS Q. MARTIN
Title: Acctg. Mgr
Tax Identification No: 26-1679130

[Signature]
Innovative Electronic Designs
Support Services, LLC (IED SS, LLC)
By: _____
Name: Hardison Martin
Title: Chief Technical Officer

ATTEST/SEAL:

[Signature]
City Secretary

CITY OF HOUSTON, TEXAS

Signed by:

Bill White
Mayor

[Signature]

APPROVED:

Eric R. Potts

Eric R. Potts, Interim Director,
Houston Airport System

APPROVED:

[Signature]
Purchasing Agent

COUNTERSIGNED BY:

[Signature]
City Controller *[Signature]*

APPROVED AS TO FORM:

[Signature]
Assistant City Attorney
L.D. File No. 0040800188001

DATE COUNTERSIGNED:

10-22-09

II. DEFINITIONS

As used in this Agreement, the following terms have the meanings set out below:

“Acceptable” means that services, equipment and performance meet or exceed the requirement of the Agreement.

“Acceptance” means a determination by the Director that the unit of work specified under the Agreement is complete and acceptable.

“After Work Hours” means Monday through Friday from 5:00 p.m. to 8:00 a.m. CST and all day Saturday and Sunday.

“Agreement” means this contract between the parties including all exhibits and any written amendments authorized by City Council and Contractor.

“Airport(s)” means George Bush Intercontinental Airport/Houston (IAH), William P. Hobby Airport (HOU) and Ellington Airport (EFD).

“ASC” means the Airport Services Complex located at 4500 Will Clayton Parkway, at George Bush Intercontinental Airport/Houston.

“Audio Control System” or **“System”** means equipment, including, but not limited to, mainframe, amplifiers, speakers, noise systems etc; and, all systems, components, and software, thereto identified in the Agreement.

“Basic Services” means those services described in Exhibit A.

“Business Days” means all days of a calendar year except Saturday, Sundays and City Council approved City holidays, unless Contractor receives written notice(s) from the Director on a preceding Thursday modifying the work days for the following week(s), in which case, the modified work days become Business Days only for the period of time designated in such notice.

“City” means the City of Houston, Texas, and includes its successors and assigns.

“Company” or **“Contractor”** means the entity to whom the City awards this Contract.

“Contract” means the Agreement and all amendments or change orders thereto made and entered into by and between the City and the Contractor whereby the Contractor shall provide all specified Work in connection with the Agreement, in the manner and form provided by the Agreement.

“Director” means the Director of the Houston Airport System, or his designee. The Agreement designates certain functions to be performed by the Director. For the purposes of the Agreement those functions are assigned to the Assistant Director of Aviation, Technical Services Division. The Assistant Director of Aviation, Technical Service Division may delegate certain functions to other HAS employees, with the approval of the Director.

“Emergency Service Request” means a request from the Director to Contractor to perform other work services due to a major failure or services deemed necessary by the Director. Contractor must respond in

accordance with the Response Times set forth in Section B (Scope of Work).

“Equipment” means entire audio control system, including, but not limited to, mainframe, amplifiers, speakers, noise systems, etc. please refer to Exhibit A-1

“First Class Condition” refers to the quality of systems, parts, equipment and related components and appurtenances including replacements (“elements”). It also refers to the condition of the wear and operation of the elements. When referring to the quality of the elements, First Class Condition means of a quality equal to or better than the elements as originally installed. When referring to the wear and operation of the elements, First Class Condition means a standard that is within the manufacture’s published tolerances for safe, reliable operation, or if no published tolerances, within generally accepted (tolerances) within the equipment maintenance industry.

“Furnish” means supply and deliver to Project Site, ready for uploading, unpacking, assemble, installation, use, etc., as applicable in each instance, except as otherwise defined in greater detail.

“HAS” means the Houston Airport System.

“HOU” means William P. Hobby Airport.

“Houston Airport System” means the property and facilities of the City of Houston Airport System which include, but are not limited to, George Bush Intercontinental Airport/Houston (IAH), William P. Hobby Airport (HOU), Ellington Airport (EFD), and the Houston Airport System Administration Buildings.

“IAH” means George Bush Intercontinental Airport/Houston.

“Manufacturer” means the original manufacturer or producer of a part or component.

“Materials” means any component and/or part (hardware or media software).

“Normal Business Hours” means Monday through Friday from 8:00 a.m. to 5:00 p.m. CST, unless Contractor receives a written notice from the Director on a preceding Thursday modifying the work hours for the following week(s) and Contractor agrees in which case, the modified work hours become the Normal Business Hours only for the period of time designated in such notice.

“Notice to Proceed” means a written communication from the Director to Contractor instructing Contractor to begin performance.

“OEM” means the Original Equipment Manufacturer.

“Other Work/Services” means those services described in Exhibit A, Performance/Work Statement, as Other Work/Services related to operations and maintenance services, other than Basic Services. Such services are only provided upon the Director’s written request.

“**Preventive Maintenance (PM)**” means scheduled maintenance activities recommended by the manufacturer and by industry best practice standards. They include, but are not limited to, proper inspections, installation, testing, and operation procedures, determined by regularly scheduled work.

“**Remedial Maintenance (RM)**” means repair of equipment and systems with parts, materials, and labor to restore performance to the designed function in the event of any audio control system breakdown where the audio control system is unable to perform its designed function. RM includes repairs and replacement of related components, parts and appurtenances that have failed, or no longer perform reliably.

“**Repair**” means to restore to good and sound working condition.

“**Response Time**” means the maximum elapsed time in which Contractor must respond to a Service Request. The maximum elapsed time is measured from Contractor’s receipt of a Service Request to Contractor’s On-Call response.

“**Routine**” means those services that do not involve an Emergency Service Request.

“**Schedule**” means the planned periods of time the Contractor shall be allowed to perform Work, as determined by the Director.

“**Service**” means to provide the labor, tools, equipment, and all items required to ensure proper equipment maintenance and performance based on manufacturer’s recommended procedures.

“**Upgrade**” means systems, components, and software to improve current system for additional functionality and/or expansion/increases of capacity.

“**Work**” means all services to be provided by the Contractor as defined by the specifications herein.

III. DUTIES OF CONTRACTOR

A. Scope of Services

In consideration of the payment specified in this Agreement, Contractor shall provide all labor, supervision, parts, equipment, materials, tools, instruments, expendable items, supplies, reports, transportation, insurance, subcontracts, bonds, and incidentals necessary to perform the Basic Services and, if requested, Other Work/Services described in the Performance/Work Statement set forth in Exhibit "A". Contractor shall not be paid for travel time to and from the job site.

B. Duty to Inspect

Contractor represents that it or its agent has inspected all sites affected by this Agreement and that it is not entitled to additional compensation for its failure to accurately account for all of the work required to be performed under this Agreement.

C. Invoicing

Contractor shall submit its invoices on forms approved in advance by the Director. Each invoice must be accompanied by support documents as may be requested by the Director. Each invoice Contractor submits must be in duplicate and each copy must include required support documents. Each invoice must be identified by the Contract name and Contractor number. All invoices are to be delivered or mailed to the following location:

The City of Houston
Houston Airport System
Accounts Payable Section
P.O. Box 60106
Houston, Texas 77205-0106

D. Payment of Subcontractors

Contractor shall make timely payments to all persons and entities supplying labor, materials, services, or equipment for the performance of this Agreement. CONTRACTOR SHALL DEFEND AND INDEMNIFY THE CITY FROM ANY CLAIMS OR LIABILITY ARISING OUT OF CONTRACTOR'S FAILURE TO MAKE THESE PAYMENTS. Contractor shall submit disputes relating to payment of MWBE subcontractors to arbitration in the same manner as any other disputes under the MWBE subcontract.

E. Personnel of Contractor

Contractor shall provide sufficient, fully qualified personnel to meet the performance requirements set forth in Exhibit "A". Contractor shall replace any of its personnel or subcontractors whose work product is deemed unsatisfactory by the Director.

F. RELEASE

EXCEPT FOR THE CITY'S GROSS NEGLIGENCE OR WILFUL MISCONDUCT, CONTRACTOR AGREES TO AND SHALL RELEASE THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE CITY'S SOLE OR CONCURRENT NEGLIGENCE AND/OR THE CITY'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY.

G. INDEMNIFICATION

CONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") HARMLESS FOR ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY:

- (1) CONTRACTOR'S AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', CONTRACTORS', OR SUBCONTRACTORS' (COLLECTIVELY IN NUMBERED PARAGRAPHS 1-3, "CONTRACTOR") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;
- (2) THE CITY'S AND CONTRACTOR'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT; AND
- (3) THE CITY'S AND CONTRACTOR'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT.

CONTRACTOR SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY HARMLESS DURING THE TERM OF THIS AGREEMENT AND FOR FOUR YEARS AFTER THE AGREEMENT TERMINATES. CONTRACTOR'S INDEMNIFICATION IS LIMITED TO \$1,000,000 PER OCCURRENCE. CONTRACTOR SHALL NOT INDEMNIFY THE CITY FOR THE CITY'S SOLE NEGLIGENCE.

CONTRACTOR SHALL REQUIRE ALL OF ITS SUBCONTRACTORS (AND THEIR SUBCONTRACTORS) TO RELEASE AND INDEMNIFY THE CITY TO THE SAME EXTENT AND IN SUBSTANTIALLY THE SAME FORM AS ITS RELEASE AND INDEMNITY TO THE CITY.

H. RELEASE AND INDEMNIFICATION - PATENT, COPYRIGHT, TRADEMARK, AND TRADE SECRET INFRINGEMENT

CONTRACTOR AGREES TO AND SHALL RELEASE AND DEFEND, INDEMNIFY, AND HOLD HARMLESS THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") FROM ALL CLAIMS OR CAUSES OF ACTION BROUGHT AGAINST THE CITY BY ANY PARTY, INCLUDING CONTRACTOR, ALLEGING THAT THE CITY'S USE OF ANY EQUIPMENT, SOFTWARE, PROCESS, OR DOCUMENTS CONTRACTOR FURNISHES DURING THE TERM OF THIS AGREEMENT INFRINGES ON A PATENT, COPYRIGHT, OR TRADEMARK, OR MISAPPROPRIATES A TRADE SECRET. CONTRACTOR SHALL PAY ALL COSTS (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS, AND INTEREST) AND DAMAGES AWARDED.

CONTRACTOR SHALL NOT SETTLE ANY CLAIM ON TERMS WHICH PREVENT THE CITY FROM USING THE EQUIPMENT, SOFTWARE, PROCESS, AND DOCUMENTS WITHOUT THE CITY'S PRIOR WRITTEN CONSENT.

WITHIN 60 DAYS AFTER BEING NOTIFIED OF THE CLAIM, CONTRACTOR SHALL, AT ITS OWN EXPENSE, EITHER (1) OBTAIN FOR THE CITY THE RIGHT TO CONTINUE USING THE EQUIPMENT, SOFTWARE, PROCESS, AND DOCUMENTS OR, (2) IF BOTH PARTIES AGREE, REPLACE OR MODIFY THEM WITH COMPATIBLE AND FUNCTIONALLY EQUIVALENT PRODUCTS. IF NONE OF THESE ALTERNATIVES IS REASONABLY AVAILABLE, THE CITY MAY RETURN THE EQUIPMENT, SOFTWARE, OR DOCUMENTS, OR DISCONTINUE THE PROCESS, AND CONTRACTOR SHALL REFUND THE PURCHASE PRICE.

I. INDEMNIFICATION PROCEDURES

- (1) Notice of Claims. If the City or Contractor receives notice of any claim or circumstances which could give rise to an indemnified loss, the receiving party shall give written notice to the other party within 10 days. The notice must include the following:

- (a) a description of the indemnification event in reasonable detail,
- (b) the basis on which indemnification may be due, and
- (c) the anticipated amount of the indemnified loss.

This notice does not estop or prevent the City from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If the City does not provide this notice within the 10 day period, it does not waive any right to indemnification except to the extent that Contractor is prejudiced, suffers loss, or incurs expense because of the delay.

(2) Defense of Claims

- (a) Assumption of Defense. Contractor may assume the defense of the claim at its own expense with counsel chosen by it that is reasonably satisfactory to the City. Contractor shall then control the defense and any negotiations to settle the claim. Within 10 days after receiving written notice of the indemnification request, Contractor must advise the City as to whether or not it will defend the claim. If Contractor does not assume the defense, the City shall assume and control the defense, and all defense expenses constitute an indemnification loss.
- (b) Continued Participation. If Contractor elects to defend the claim, the City may retain separate counsel to participate in (but not control) the defense and to participate in (but not control) any settlement negotiations. Contractor may settle the claim without the consent or agreement of the City, unless it (i) would result in injunctive relief or other equitable remedies or otherwise require the City to comply with restrictions or limitations that adversely affect the City, (ii) would require the City to pay amounts that Contractor does not fund in full, (iii) would not result in the City's full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

J. Insurance

Contractor shall maintain in effect certain insurance coverage, which is described as follows:

Minimum Insurance Requirements. Contractor shall maintain the following insurance coverage in the following amounts:

<u>(Coverage)</u>	<u>(Limit of Liability)</u>
Workers' Compensation	Statutory for Workers' Compensation
Employer's Liability	Bodily Injury by accident \$500,000 (each accident)

	Bodily Injury by Disease \$500,000 (policy limit)
	Bodily Injury by Disease \$500,000 (each employee)
Commercial General Liability: Including Broad Form Coverage, Contractual Liability, Bodily and Personal Injury, and Completed Operations	Bodily Injury and Property Damage, Combined Limits of \$2,000,000 each Occurrence and \$4,000,000 aggregate
Automobile Liability Insurance (for vehicles Contractor uses in performing under this Agreement, including Employer's Non-Owned and Hired Auto Coverage)	\$1,000,000 combined single limit

Defense costs are excluded from the face amount of the policy.
Aggregate Limits are per 12-month policy period
unless otherwise indicated.

- (2) Form of Policies. The Director may approve the form of the insurance policies, but nothing the Director does or fails to do relieves Contractor from its duties to provide the required coverage under this Agreement. The Director's actions or inactions do not waive the City's rights under this Agreement.
- (3) Issuers of Policies. The issuer of any policy (1) shall have a Certificate of Authority to transact insurance business in Texas or (2) shall be an eligible non-admitted insurer in the State of Texas and have a Best's rating of at least B+ and a Best's Financial Size Category of Class VI or better, according to the most current edition Best's Key Rating Guide.
- (4) Insured Parties. Each policy, except those for Workers' Compensation, Employer's Liability, and Professional Liability, must name the City (and its officers, agents, and employees) as Additional Insured parties on the original policy and all renewals or replacements.
- (5) Deductibles. Contractor shall be responsible for and pay any claims or losses to the extent of any deductible amounts and waives any claim it may have for the same against the City, its officers, agents, or employees.
- (6) Cancellation. Each policy must state that it may not be canceled, materially modified, or nonrenewed unless the insurance company gives the Director 30 days' advance written notice. Contractor shall give written notice to the Director within five days of the date on which total claims by any party against Contractor reduce the aggregate amount of coverage below the amounts required by this Agreement. In the alternative, the policy may contain an endorsement establishing a policy aggregate for the particular project or location subject to this Agreement.
- (7) Subrogation. Each policy, except Professional Liability (if any), must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the City, its officers, agents, or employees.

- (8) Endorsement of Primary Insurance. Each policy, except Workers' Compensation and Professional Liability (if any), must contain an endorsement that the policy is primary to any other insurance available to the Additional Insured with respect to claims arising under this Agreement.
- (9) Liability for Premium. Contractor shall pay all insurance premiums, and the City shall not be obligated to pay any premiums.
- (10) Subcontractors. Contractor shall require all subcontractors to carry insurance naming the City as an additional insured and meeting all of the above requirements except amount. The amount must be commensurate with the amount of the subcontract, but in no case less than \$500,000 per occurrence. Contractor shall provide copies of insurance certificates to the Director.
- (11) Proof of Insurance.
- (a) Prior to execution of this Agreement, Contractor shall furnish the Director with Certificates of Insurance, along with an Affidavit from Contractor confirming that the Certificates accurately reflect the insurance coverage maintained. If requested in writing by the Director, Contractor shall furnish the City with certified copies of Contractor's actual insurance policies.
 - (b) Contractor shall continuously and without interruption, maintain in force the required insurance coverages specified in this Section. If Contractor does not comply with this requirement, the Director, at his or her sole discretion, may
 - (1) immediately suspend Contractor from any further performance under this Agreement and begin procedures to terminate for default, or
 - (2) purchase the required insurance with City funds and deduct the cost of the premiums from amounts due to Contractor under this Agreement.
- The City shall never waive or be estopped to assert its right to terminate this Agreement because of its acts or omissions regarding its review of insurance documents.
- (12) Other Insurance. If requested by the Director, Contractor shall furnish adequate evidence of Social Security and Unemployment Compensation Insurance, to the extent applicable to Contractor's operations under this Agreement.

K. Warranties

Contractor warrants that it shall perform all work in a good and workmanlike manner meeting the standards of quality prevailing in Harris County, Texas, for work of this kind. Contractor shall perform all work using trained and skilled persons having substantial experience performing the work required under this Agreement.

With respect to any parts, instruments, equipment, and goods it furnishes, Contractor warrants:

- (1) that all items are free of defects in title, design, material, and workmanship,
- (2) that each item meets or exceeds the manufacturer's specifications and requirements for the equipment, structure, or other improvement in which the item is installed,
- (3) that each replacement item is new, in accordance with original equipment manufacturer's specifications, and of a quality at least as good as the quality of the item which it replaces (when the replaced item was new),
- (4) that no items or their use infringe any patent, copyright, or other proprietary rights. In the event Contractor becomes aware of such an infringement, Contractor will replace the items that are the subject of the infringement with non-infringing items in a timely manner; and
- (5) that for one year from the date of any installation ("Warranty Period"), Contractor shall provide all parts, instruments, equipment, and goods required to complete all Preventive and Remedial Maintenance required under this Agreement at no cost to the City. This warranty is in addition to Contractor's obligation to provide Basic Services under this Agreement. When the manufacturer's warranty period for any parts, instruments, equipment, and goods is greater than 1 year, the longer period prevails.

Contractor shall manage and enforce on the City's behalf all manufacturer warranties issued before the Effective Date of this Agreement, during the Term of this Agreement, and any extensions. Contractor shall not be entitled to any additional compensation for the management and enforcement of these manufacturer warranties. If Contractor does not exhaust all remedies, including litigation, against a manufacturer who fails to honor all or a part of a warranty, it shall not receive additional compensation from the City for the labor and material costs it incurs to repair or replace the item that otherwise would have been under warranty.

L. Maintenance Audit

- (1) At any time during the term of this Agreement or any extensions, the Director, without notice to the Contractor and at HAS' expense, may provide for a third party maintenance audit. Contractor shall rectify any deficiencies in performance discovered by such audit for which Contractor is responsible to the Director's satisfaction at no cost to the City within 10 days of receipt of a notice of any deficiency. Further, the Contractor shall provide the Director with a written explanation for such deficiency in performance and a plan to prevent future deficiencies within 15 days of receipt of such notice. Failure of the Contractor to timely rectify the deficiency or provide the written explanation and plan to the Director shall be grounds for termination for cause as provided in Section V.

- (2) At any time during the term of this Agreement or any extensions, the Director, without notice to the Contractor, may conduct his own inspections of Contractor's work performance, equipment, inventory, logs and work sites. Contractor shall rectify any deficiencies discovered by such inspection to the Director's satisfaction within 10 days of receipt of a notice of any such deficiency at no cost to the City if caused by the Contractor or its subcontractors.

M. Confidentiality

Contractor, its agents, employees, contractors, and subcontractors shall hold all City information, data, and documents (collectively, "the Information") that they receive, prepare, or to which they have access, in strictest confidence. Contractor, its agents, employees, contractors, and subcontractors shall not disclose, disseminate, or use the Information unless the Director authorizes it in writing. Contractor shall establish procedures to ensure confidentiality of the Information and to prevent its unauthorized use and disclosure. Contractor shall obtain written agreements from its agents, employees, contractors, and subcontractors who perform work under this Agreement, which bind them to the terms in this paragraph.

N. Use of Work Products

Contractor conveys and assigns to the City its entire interest and full ownership worldwide in and to any work, invention, and all Documents, and the copyrights, patents, trademarks, trade secrets, and any other proprietary rights therein (collectively "Proprietary Rights") that Contractor, its agents, employees, contractors, and subcontractors (collectively "Authors") develop, write, or produce under this Agreement (collectively "Works").

The Authors shall not claim or exercise any Proprietary Rights related to the Works. If requested by the Director, Contractor shall place a conspicuous notation on any Works which indicates that the City owns the Proprietary Rights.

Contractor shall execute all documents required by the Director to further evidence this assignment and ownership. Contractor shall cooperate with the City in registering, creating, and enforcing Proprietary Rights arising under this Agreement. If Contractor's assistance is requested and rendered under this Section, the City shall reimburse Contractor for all out-of-pocket expenses it incurs in rendering assistance, subject to the availability of funds. On termination of this Agreement, or if requested by the Director, Contractor shall deliver all Works to the City. Contractor shall obtain written agreements from the Authors which bind them to the terms in this Section.

All Works developed, written, or produced under this Agreement for use as a contribution to a collective work; a part of a motion picture or other audiovisual work; a translation; a supplementary work; a compilation; an instructional text; a test; answer material for a test; or an atlas, are "works made for hire."

Contractor may retain copies of the Works for its archives. Contractor shall not otherwise use, sell, license, or market the Works.

O. Licenses and Permits

Contractor shall obtain, maintain, and pay for all licenses, permits, and certificates including all professional licenses required by this Agreement, any statute, ordinance, rule, or regulation. This requirement includes, without limitation, certification of the on-site technicians. Contractor shall immediately notify the Director of any suspension, revocation, or other detrimental action against required licenses or certifications.

P. Compliance with Laws

Contractor shall comply with all applicable state and federal laws and regulations; the City Charter and Code of Ordinances; and HAS' rules and regulations.

Q. Compliance with Equal Opportunity Ordinance

Contractor shall comply with the City's Equal Employment Opportunity Ordinance as set out in Exhibit "C."

R. Minority and Women Business Enterprises

It is the City's policy to ensure that Minority and Women Business Enterprises ("MWBEs") and Small Business Enterprises ("SBEs") have the full opportunity to compete for and participate in City contracts. The objectives of Chapter 11, Article V of the City of Houston Code of Ordinances, relating to City-wide Percentage Goals for contracting with MWBEs and SBEs, are incorporated into this Agreement.

The percentage goals for this Agreement have been waived in accordance with the procedures of Chapter 11 of the City of Houston Code of Ordinances as shown in Exhibit "D".

S. Drug Abuse Detection and Deterrence

- (1) It is the policy of the City to achieve a drug-free workforce and workplace. The manufacture, distribution, dispensation, possession, sale, or use of illegal drugs or alcohol by contractors while on City Premises is prohibited. Contractor shall comply with all the requirements and procedures set forth in the Mayor's Drug Abuse Detection and Deterrence Procedures for Contractors, Executive Order No. 1-31 ("Executive Order"), which is incorporated into this Agreement and is on file in the City Secretary's Office.
- (2) Before the City signs this Agreement, Contractor shall file with the Contract Compliance Officer for Drug Testing ("CCODT"),
 - (a) a copy of its drug-free workplace policy,
 - (b) the Drug Policy Compliance Agreement substantially in the form set forth in Exhibit "F," together with a written designation of all safety impact positions and,
 - (c) if applicable (e.g. no safety impact positions), the Certification of No Safety Impact Positions, substantially in the form set forth in Exhibit "G."

If Contractor files a written designation of safety impact positions with its Drug Policy Compliance Agreement, it also shall file every 6 months during the performance of this Agreement or on completion of this Agreement if performance is less than 6 months, a Drug Policy Compliance Declaration in a form substantially similar to Exhibit "H". Contractor shall submit the Drug Policy Compliance Declaration to the CCODT within 30 days of the expiration of each 6-month period of performance and within 30 days of completion of this Agreement. The first 6-month period begins to run on the date the City issues its Notice to Proceed or if no Notice to Proceed is issued, on the first day Contractor begins work under this Agreement.

- (3) Contractor also shall file updated designations of safety impact positions with the CCODT if additional safety impact positions are added to Contractor's employee work force.
- (4) Contractor shall require that its subcontractors comply with the Executive Order and Contractor shall secure and maintain the required documents for City inspection.

T. Environmental Laws

Contractor shall comply with all rules, regulations, statutes, or orders of the Environmental Protection Agency ("EPA"), the Texas Commission on Environmental Quality ("TCEQ"), and any other governmental agency with the authority to promulgate environmental rules and regulations (Environmental Laws). Contractor shall promptly reimburse the City for any fines or penalties levied against the City because of Contractor's failure to comply.

Contractor shall not possess, use, generate, release, discharge, store, dispose of, or transport any Hazardous Materials on, under, in, above, to, or from the site except in strict compliance with the Environmental Regulations. "Hazardous Materials" mean any substances, materials, or wastes that are or become regulated as hazardous or toxic substances under any applicable federal, state, or local laws, regulations, ordinances, or orders. Contractor shall not deposit oil, gasoline, grease, lubricants, or any ignitable or hazardous liquids, materials, or substances in the City's storm sewer system or sanitary sewer system or elsewhere on City Property in violation of the Environmental Laws.

U. Airport Security

Contractor shall comply with all HAS, TSA, FAA and any other governmental agency security directives, rules and regulations. The FAA and/or the TSA may assess fines and/or penalties for Contractor's non-compliance with the provisions of 49 CFR 1540 and 1542, as amended from time to time, or by other agencies for noncompliance with laws or regulations applicable to Contractor's operations. Within 10 days of notification in writing, Contractor shall reimburse the City for any fine or penalty assessed against the City because of Contractor's non-compliance with 49 CFR 1540 and 1542 or other applicable laws or regulations.

V. Conflicts of Interest

If a potential or actual conflict of interests arises between the City's interests and the interests of other clients Contractor represents, Contractor shall immediately notify the City Attorney and Mayor by fax transmission or telephone and request consent. The City shall be deemed to consent to the conflict unless the Mayor or City Attorney sends a written notice that the City declines to consent within 3 business days after the City receives the notice. If the City does not consent, Contractor shall immediately take steps to resolve the conflict.

W. Pay or Play

The requirements and terms of the City of Houston Pay or Play program, as set out in Executive Order 1-7, are incorporated into this Agreement for all purposes. Contractor has reviewed Executive Order No. 1-7 and shall comply with its terms and conditions as they are set out at the time of City Council approval of this Agreement.

III. DUTIES OF CITY

A. Payment Terms

- (1) Subject to all the terms and conditions of this Agreement, the City shall pay to Contractor, and Contractor accepts the fees specified in Exhibit "B," Fee Schedule, for all work provided by Contractor and its subcontractors under this Agreement. If hourly rates and fees for Other Work/Services are not stated in Exhibit "B", the rates will be based on the Parties' written agreement, which must be established in accordance with the terms of this Agreement. All such rates and fees must be ordinary and reasonable for the type of work performed.
- (2) If the City pays Contractor for work performed by any subcontractor or for parts, supplies, equipment, or materials provided by any supplier, and Contractor withholds or has withheld payment to the subcontractor or supplier because of a deficiency in the quality or quantity of that subcontractor's or supplier's work or materials, the City may withhold a corresponding amount from any pending or future payments to Contractor until the next regular payment to Contractor occurring after the City receives reasonable documentation that the deficiency has been remedied.
- (3) All invoices are subject to approval by the Director and are due and payable on or about 30 days after receipt and approval by the Director. All payments must be made by check made payable to Contractor. The City will not unreasonably delay or withhold payment or approval of any invoice. Neither payments made nor approval of invoices or services by the Director shall be construed as final acceptance or approval of that part of Contractor's services to which such payment or approval relates. Such payments do not relieve Contractor of any of its obligations under this Agreement.

B. Taxes

The City is exempt from payment of Federal Excise and Transportation Tax and Texas Limited Sales and Use Tax. Contractor's invoices to the City must not contain assessments of any of these taxes. The Director will furnish the City's exemption certificate and federal tax identification number to Contractor if requested.

C. Method of Payment - Disputed Payments

If the City disputes any items in an invoice Contractor submits for any reason, including lack of supporting documentation, the Director shall temporarily delete the disputed item and pay the remainder of the invoice. The Director shall promptly notify Contractor of the dispute and request remedial action. After the dispute is settled, Contractor shall include the disputed amount on a subsequent regularly scheduled invoice or on a special invoice for the disputed item only.

D. Limit of Appropriation

- (1) The City's duty to pay money to Contractor for any purpose under this Agreement is limited in its entirety by the provisions of this Section.
- (2) In order to comply with Article II, Sections 19 and 19a of the City's Charter and Article XI, Section 5 of the Texas Constitution, the City has appropriated and allocated the sum of \$258,208.67 to pay money due under this Agreement (the "Original Allocation"). The executive and legislative officers of the City, in their discretion, may allocate supplemental funds for this

Agreement, but they are not obligated to do so. Therefore, the parties have agreed to the following procedures and remedies.

- (3) The City makes a Supplemental Allocation by issuing to Contractor a Service Release Order, or similar form approved by the City Controller, containing the language set out below. When necessary, the Supplemental Allocation shall be approved by motion or ordinance of City Council.

NOTICE OF SUPPLEMENTAL ALLOCATION OF FUNDS

By the signature below, the City Controller certifies that, upon the request of the responsible director, the supplemental sum set out below has been allocated for the purposes of the Agreement out of funds appropriated for this purpose by the City Council of the City of Houston. This supplemental allocation has been charged to such appropriation.

\$ _____

- (4) City Council delegates to the Director the authority to approve up to \$1,084,663.33 in supplemental allocations for this Agreement without returning to Council.
- (5) The Original Allocation plus all supplemental allocations are the Allocated Funds. The City shall never be obligated to pay any money under this Agreement in excess of the Allocated Funds. Contractor must assure itself that sufficient allocations have been made to pay for services it provides. If Allocated Funds are exhausted, Contractor's only remedy is suspension or termination of its performance under this Agreement and it has no other remedy in law or in equity against the City and no right to damages of any kind.

E. Access to Site

Subject to FAA, TSA and HAS rules and regulations, Contractor may enter and leave work sites at all reasonable times without charge. Contractor and its employees may use the common areas and roadways at the Airport where the work sites are located. This excludes parking for Contractor's personnel and does not extend to any restricted area of the Airport, including without limitation, the AOA, which requires the Director's prior written approval and an HAS escort. Contractor shall repair any damage caused by it or its employees, suppliers or subcontractors as a result of their use of the common areas.

IV. TERM AND TERMINATION

A. Contract Term

This Agreement is effective on the Effective Date and continues for five (5) consecutive years from the date set forth in the Notice to Proceed, unless sooner terminated under this Agreement. Performance begins on the date specified in the Notice to Proceed issued by the Director. Contractor acknowledges that time is of the essence of this Agreement.

B. Termination for Convenience by City

The Director may terminate this Agreement at any time by giving 30 days written notice to Contractor. The City's right to terminate this Agreement for convenience is cumulative of all rights and remedies which exist now or in the future.

On receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement and cancel all existing orders and subcontracts that are chargeable to this Agreement. As soon as practicable after receiving the termination notice, Contractor shall submit an invoice showing in detail the services performed under this Agreement up to the termination date. The City shall then pay the fees to Contractor for services actually performed, but not already paid for, in the same manner as prescribed in Section III (A) unless the fees exceed the allocated funds remaining under this Agreement.

TERMINATION OF THIS AGREEMENT AND PAYMENT FOR SERVICES RENDERED ARE CONTRACTOR'S ONLY REMEDIES FOR THE CITY'S TERMINATION FOR CONVENIENCE, WHICH DOES NOT CONSTITUTE A DEFAULT OR BREACH OF THIS AGREEMENT. CONTRACTOR WAIVES ANY CLAIM (OTHER THAN ITS CLAIM FOR PAYMENT AS SPECIFIED IN THIS SECTION), IT MAY HAVE NOW OR IN THE FUTURE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM THE CITY'S TERMINATION FOR CONVENIENCE.

C. Termination for Cause by City

If Contractor defaults under this Agreement, the Director may either terminate this Agreement or allow Contractor to cure the default as provided below. The City's right to terminate this Agreement for Contractor's default is cumulative of all rights and remedies which exist now or in the future. Default by Contractor occurs if:

- (1) Contractor fails to perform any of its duties under this Agreement;
- (2) Contractor becomes insolvent;
- (3) all or a substantial part of Contractor's assets are assigned for the benefit of its creditors; or
- (3) a receiver or trustee is appointed for Contractor.

If a default occurs, the Director may, but is not obligated to, deliver a written notice to Contractor describing the default and the termination date. The Director, at his or her sole option, may extend the termination date to a later date. If the Director allows Contractor to cure the default and Contractor does so to the Director's satisfaction before the termination date, then the termination is ineffective. If Contractor does not cure the default before the termination date, then the Director may terminate this Agreement on the termination date, at no further obligation of the City.

To effect final termination, the Director must notify Contractor in writing. After receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement, and promptly cancel all orders or subcontracts chargeable to this Agreement.

If, after termination for failure to fulfill contract obligations, it is determined that Contractor had not so failed, the termination shall be deemed to have been effected for the convenience of the City. In such event, Contractor shall be paid in accordance with the provisions of Section V.C. of the Agreement.

D. Termination for Cause by Contractor

Contractor may terminate its performance under this Agreement only if the City defaults and fails to cure the default after receiving written notice of it. Default by the City occurs if the City fails to perform one or more of its material duties under this Agreement. If a default occurs and Contractor wishes to terminate the Agreement, then Contractor must deliver a written notice to the Director describing the default and the proposed termination date. The date must be at least 30 days after the Director receives the notice. Contractor, at its sole option, may extend the proposed termination date to a later date. If the City cures the default before the proposed termination date, then the proposed termination is ineffective. If the City does not cure the default before the proposed termination date, then Contractor may terminate its performance under this Agreement on the termination date.

VI. MISCELLANEOUS

A. Independent Contractor

Contractor is an independent contractor and shall perform the services provided for in this Agreement in that capacity. The City has no control or supervisory powers over the manner or method of Contractors' performance under this Agreement. All personnel Contractor uses or provides are its employees or subcontractors and not the City's employees, agents, or subcontractors for any purpose whatsoever. Contractor is solely responsible for the compensation of its personnel, including but not limited to: the withholding of income, social security, and other payroll taxes and all worker's compensation benefits coverage.

B. Force Majeure

1. Timely performance by both parties is essential to this Agreement. However, neither party is liable for reasonable delays in performing its obligations under this Agreement to the extent the delay is caused by Force Majeure that directly impacts the City or Contractor. The event of Force Majeure may permit a reasonable delay in performance but does not excuse a party's obligations to complete performance under this Agreement. Force Majeure means: fires, interruption of utility services, epidemics in the City, floods, hurricanes, tornadoes, ice storms and other natural disasters, explosions, war, terrorist acts against the City or Contractor, riots, strikes, court orders, and the acts of superior governmental or military authority, and which the affected party is unable to prevent by the exercise of reasonable diligence. The term does not include any changes in general economic conditions such as inflation, interest rates, economic downturn or other factors of general application; or an event that merely makes performance more difficult, expensive or impractical. Force Majeure does not entitle Contractor to extra Reimbursable Expenses or payment.
2. This relief is not applicable unless the affected party does the following:
 - (a) uses due diligence to remove the effects of the Force Majeure as quickly as possible and to continue performance notwithstanding the Force Majeure; and
 - (b) provides the other party with prompt written notice of the cause and its anticipated effect.
3. The Director will review claims that a Force Majeure that directly impacts the City or Contractor has occurred and render a written decision within 14 days. The decision of the Director is final.
4. The City may perform contract functions itself or contract them out during periods of Force Majeure. Such performance is not a default or breach of this Agreement by the City.

5. If the Force Majeure continues for more than 14 days from the date performance is affected, the Director may terminate this Agreement by giving 7 days' written notice to Contractor. This termination is not a default or breach of this Agreement. **CONTRACTOR WAIVES ANY CLAIM IT MAY HAVE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM THE TERMINATION EXCEPT FOR AMOUNTS DUE UNDER THE AGREEMENT UP TO THE TIME THE WORK IS HALTED DUE TO FORCE MAJEURE.**

C. Severability

If any part of this Agreement is for any reason found to be unenforceable, all other parts remain enforceable unless the result materially prejudices either party.

D. Entire Agreement

This Agreement merges the prior negotiations and understandings of the Parties and embodies the entire agreement of the Parties. No other agreements, assurances, conditions, covenants (express or implied), or other terms of any kind, exist between the Parties regarding this Agreement.

E. Written Amendment

Unless otherwise specified elsewhere in this Agreement, this Agreement may be amended only by written instrument executed on behalf of the City (by authority of an ordinance adopted by the City Council) and Contractor. The Director is only authorized to perform the functions specifically delegated to him or her in this Agreement.

F. Applicable Laws

This Agreement is subject to the laws of the State of Texas, the City Charter and Ordinances, the laws of the federal government of the United States, and all rules and regulations of any regulatory body or officer having jurisdiction.

Venue for any litigation relating to this Agreement is Harris County, Texas.

G. Notices

All notices to either party to the Agreement must be in writing and must be delivered by hand, facsimile, United States registered or certified mail, return receipt requested, United States Express Mail, Federal Express, Airborne Express, UPS or any other national overnight express delivery service. The notice must be addressed to the party to whom the notice is given at its address set out in Section I of this Agreement or other address the receiving party has designated previously by proper notice to the sending party. Postage or delivery charges must be paid by the party giving the notice.

H. Captions

Captions contained in this Agreement are for reference only, and, therefore, have no effect in construing this Agreement. The captions are not restrictive of the subject matter of any section in this Agreement.

I. Non-Waiver

If either party fails to require the other to perform a term of this Agreement, that failure does not prevent the party from later enforcing that term and all other terms. If either party waives the other's breach of a term, that waiver does not waive a later breach of this Agreement.

An approval by the Director, or by any other employee or agent of the City, of any part of Contractor's performance does not waive compliance with this Agreement or establish a standard of performance other than that required by this Agreement and by law. The Director is not authorized to vary the terms of this Agreement.

J. Inspections and Audits

City representatives may perform, or have performed, (1) audits of Contractor's books and records, and (2) inspections of all places where work is undertaken in connection with this Agreement. Contractor shall keep its books and records available for this purpose for at least 4 years after this Agreement terminates. This provision does not affect the applicable statute of limitations.

K. Enforcement

The City Attorney or his or her designee may enforce all legal rights and obligations under this Agreement without further authorization. Contractor shall provide to the City Attorney all documents and records that the City Attorney requests to assist in determining Contractor's compliance with this Agreement, with the exception of those documents made confidential by federal or State law or regulation.

L. Ambiguities

If any term of this Agreement is ambiguous, it shall not be construed for or against any party on the basis that the party did or did not write it.

M. Survival

Contractor shall remain obligated to the City under all clauses of this Agreement that expressly or by their nature extend beyond the expiration or termination of this Agreement, including but not limited to, the indemnity provisions.

N. Publicity

Contractor shall make no announcement or release of information concerning this Agreement unless the release has been submitted to and approved, in writing, by the Director.

O. Parties In Interest

This Agreement does not bestow any rights upon any third party, but binds and benefits the City and Contractor only.

P. Successors and Assigns

This Agreement binds and benefits the Parties and their legal successors and permitted assigns; however, this provision does not alter the restrictions on assignment and disposal of assets set out in the following

paragraph. This Agreement does not create any personal liability on the part of any officer or agent of the City.

Q. Business Structure and Assignments

Contractor shall not assign this Agreement at law or otherwise or dispose of all or substantially all of its assets without the Director's prior written consent. Nothing in this clause, however, prevents the assignment of accounts receivable or the creation of a security interest under '9.406 of the Texas Business & Commerce Code. In the case of such an assignment, Contractor shall immediately furnish the City with proof of the assignment and the name, telephone number, and address of the Assignee and a clear identification of the fees to be paid to the Assignee.

Contractor shall not delegate any portion of its performance under this Agreement without the Director's written consent.

R. Dispute Resolution

For purposes of this Section "Project Administrator" means the person the Director designates to monitor the progress of all Parties' performance under this Agreement.

Except as may otherwise be provided by law, a dispute that (1) does not involve a question of law; (2) arises during the performance of this Agreement; and (3) is not resolved between the Project Administrator and Contractor must be handled as described below:

- (a) The Project Administrator shall put its decision in writing and mail or otherwise furnish Contractor with a copy. Contractor may abide by the decision or may appeal the decision to the Director.
- (b) If Contractor desires to appeal a decision of the Project Administrator, Contractor must submit a written appeal to the Director. Contractor must file its written appeal within 7 working days following receipt of the Project Administrator's original decision. The Director shall provide Contractor with a written response to the appeal within 14 working days following its receipt. The decision of the Director is final.

S. Remedies Cumulative

Unless otherwise specified elsewhere in this Agreement, the rights and remedies contained in this Agreement are not exclusive, but are cumulative of all rights and remedies which exist now or in the future. Neither party may terminate its duties under this Agreement except in accordance with its provisions.

T. Contractor Debt

IF CONTRACTOR, AT ANY TIME DURING THE TERM OF THIS AGREEMENT, INCURS A DEBT, AS THE WORD IS DEFINED IN SECTION 15-122 OF THE HOUSTON CITY CODE OF ORDINANCES, IT SHALL IMMEDIATELY NOTIFY THE CITY CONTROLLER IN WRITING. IF THE CITY CONTROLLER BECOMES AWARE THAT CONTRACTOR HAS INCURRED A DEBT, SHE SHALL IMMEDIATELY NOTIFY CONTRACTOR IN WRITING. IF CONTRACTOR DOES NOT PAY THE DEBT WITHIN 30 DAYS OF EITHER SUCH NOTIFICATION, THE CITY CONTROLLER MAY DEDUCT FUNDS IN AN AMOUNT EQUAL TO THE DEBT FOR ANY

PAYMENTS OWED TO CONTRACTOR UNDER THIS AGREEMENT, AND CONTRACTOR WAIVES ANY RECOURSE THEREFOR.

U. Nondiscrimination

Contractor, for itself, its personal representatives, successors in interest, subcontractors, joint venture partners and assigns, as a part of the consideration hereof, does hereby covenant and agree that, (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said System, (2) that in the construction of any improvements and the furnishing of Work in the Facilities, no person on the ground of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that Contractor shall provide the System in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended. That in the event of breach of any of the above non-discrimination covenants, City shall have the right to terminate this Agreement and hold the same as if this Agreement had never been made or issued.

EXHIBIT A

PERFORMANCE/WORK STATEMENT

1.0 BACKGROUND

The Houston Airport System (HAS) operates the City of Houston's three (3) Airports:

- George Bush Intercontinental Airport/Houston (IAH)
- William P. Hobby Airport (HOU)
- Ellington Airport (EFD)

Audio Control Systems are located in the following areas:

- IAH – Federal Inspection Service Building
- IAH – Terminal A
- IAH – Terminal B
- IAH – Terminal C
- IAH – Terminal D
- IAH – Terminal E
- HOU – Terminal Building

Management of the Airports includes coordination with FAA, air carriers, and other Federal and State agencies to maintain the highest standards of service and safety to Airport patrons. Audio Control System operations and maintenance serves a vital role in the efficient operation of the Houston Airport System. First-class Audio Control System service is essential for superior customer service in the terminal areas.

2.0 PERFORMANCE WORK STATEMENT

2.1 GENERAL

- 2.1.1 For and in consideration of the payment specified in the Agreement, Contractor shall provide Audio Control System Services, i.e. "The Work" for the Houston Airport System (HAS).
- 2.1.2 Contractor shall provide On Call telephone technical support within thirty minutes of receiving telephone notification from HAS of equipment malfunction during the time frame of Monday through Friday (8:30 A.M – 5:30 P.M. CST, and within one hour after hours, weekends and holidays. If problem(s) cannot be resolved Contractor shall contact a local IEDSS certified contractor to be on site within 8 hours or less after receiving telephone notification if it is mutually determined that an Emergency On-site Service requested is required. If problem(s) cannot be resolved, IEDSS shall contact a local IEDSS certified contractor to be on site within 48 hours or less after receiving telephone notification if it is mutually determined that a Non Emergency /Regular On-site Service requested is required.
- 2.1.3 All Work shall be in accordance with the highest standards prevailing in the industry, as well as applicable codes, rules, regulations, laws, HAS Information Technology standards, and practices governing the Work. These standards will be achieved by continuous improvement through open communications with HAS, regular management reviews and industry guidelines.
- 2.1.4 The Work provided by Contractor under the Agreement includes Basic Services and Other Work/Services.
- 2.1.5 Work to proceed will be initiated by a Notice to Proceed signed by the Director for each Airport.

3.0 BASIC SERVICES

- 3.1 HAS is seeking proposals from the most efficient, effective, and economical audio management system organizations in the audio control industry and is requiring the Proposer to define its approach to managing maintenance of Audio Control System at IAH and HOU.
- 3.2 Priority Telephone Technical Support. Contractor shall provide (IAH & HOU) On Call telephone technical support within thirty minutes of receiving telephone notification of equipment malfunction or indication of system faults during the time frame of Monday through Friday (8:30 A.M – 5:30 P.M. CST, and within one hour after hours, weekends and holidays.. This priority support shall be provided by the corporate office personnel twenty-four (24) hours a day, seven (7) days a week. The Services will be maintained monthly for a contract period of five (5) years. An On Call telephone technical support representative will attempt to resolve the audio control problem over the telephone. Contractor shall arrange for replacement parts if necessary, and coordinate emergency on-site service if such service is warranted.
- 3.3 Regular On-Site Service Hours. Contractor shall perform on-site services at HAS between regular on-site service hours of Monday thru Friday, 8:00 a.m. to 4:30 p.m. (Central Standard Time). Contractor shall have a technician arrive at HAS within forty-eight (48 contiguous) hours of telephone notification.

- 3.4 Emergency On-Site Service. Emergency On-Site Services shall be mutually agreed upon, if determined necessary shall be on-site within 48 hours.
- 3.5 Scheduled Equipment Replacement. Contractor shall replace system components noted in Appendix 2 with new manufactured components on a recurring schedule. The replacement date will be calculated from the time the equipment was last replaced.
Scheduled Equipment Replacement only servers, hard drives, and processors. All other components listed will be replaced/repared on an as needed basis.
- 3.6 Replacement Parts. HAS shall notify On Call telephone technical support service of any equipment malfunction or indication of system faults. On Call telephone support with the assistance of IED trained and qualified personnel will determine if the equipment/part is defective and, if so, either identify on site spare or arrange for a replacement to be sent to HAS.
- 3.7 On-Site Services. HAS and IEDSS will mutually determine if on-site services are necessary.
- 3.8 Network Access. HAS shall supply Contractor with Virtual Private Network (VPN) to access the systems.
- 3.9 Return Defective Equipment. HAS agrees to return all defective equipment at HAS' expense based on return authorization policy within thirty (30) days.
- 3.10 Storage Space and Utilities. HAS shall provide a climate controlled secure storage (free of charge).
- 3.11 Personnel Space. HAS shall provide working space, heat, light, ventilation, electric current outlets, and high speed Internet access for Contractor's local personnel while on site.
- 3.12 Equipment Software Updates and Upgrades. HAS shall install all updates and upgrades to equipment software when such updates and upgrades are shipped or otherwise made available to HAS. Installation of software updates allows applicable equipment software to remain covered under the Agreement.
- 3.13 The Proposer shall provide all labor, equipment, and materials required in order to fulfill the scope of services to ensure a fully operative Audio Control System.
- 3.14 All personnel required by the Proposer to perform the Basic Services shall be included in the basic cost of the proposal.
- 3.15 Basic Services shall be inclusive of all support staff, small tools, and equipment at the time Work is required; insurance, transportation and other incidentals required to accomplish the Work; and disposal of materials replaced during the performance of Audio Control System. Please review to supplier fee schedule.
- 3.16 As defined in Basic Services, the Contractor shall maintain Audio Control System under the Agreement, using Contractor's personnel, subcontractor services, and any other vendors required for providing complete, safe and efficient Audio Control Services when requested or scheduled. Contractor shall ensure that the Audio Control System and related equipment is operational at all times in accordance with best practices prevailing in the industry, observing

OEM recommended procedures and complying with applicable Occupational Safety and Health Act (OSHA) and other applicable municipal, state, and federal safety standards.

- 3.17 Contractor retains all rights to its intellectual property of any kind, including but not limited to patent, trademark, copyright and trade secrets, in any material(s) physically or otherwise transferred to HAS.
- 3.18 All records, blue prints, and documentation are the property of HAS. All documentation shall be provided in electronic format and is considered security sensitive information.
- 3.19 The Proposer shall assess the existing audio control system, and propose best practices and alternate solutions. Proposal should recommend the best solution and provide an explanation of the benefits and drawbacks.

3.20 SPECIFIC TASKS

3.20.1 Contractor shall provide Innovative Electronic Designs (IED) certified and licensed personnel to:

- 3.20.1.1 Perform a one time system check and remedial service, including any hardware or software modification or updates required to bring equipment to normal operation. System check shall begin at start of the Agreement.
- 3.20.1.2 Perform twice a year (every six months) inspections (begin second year of the Agreement) of the equipment including but not limited to, system servers, system dependent computers, software updates, and other system hardware. Contractor will either on site or remotely install any pertinent equipment software updates subject to HAS approval.
- 3.20.1.3 Submit a report after each inspection, analysis, tests, and system repairs.
- 3.20.1.4 Replace any parts and other audio control components that are defective or not operating at manufacturer's recommended optimum levels. Contractor shall test replacement part(s) assuring compatibility with products in use.
- 3.20.1.5 Computer hardware and servers will be provided by HAS Technical Service Group.

3.20.2 Contractor shall provide a list of critical components and its advance replacement parts (loaners) to support audio control system while the failed component(s) is being repaired.

3.20.3 HAS shall return equipment at HAS' expense to contractor for factory repair(s) under warranty. This does not include equipment that is abused, misused, or damage caused by fire, smoke, water, extinguishing systems, lightning, or high voltage. Inspections in excess of one per year (beginning w/second year) will be mutually determined.

3.20.4 Contractor shall recommend and provide software and/or firmware updates. Installation is contingent upon pre installation plan, roll back procedure and final

approval.

- 3.20.5 Contractor's On Call telephone technical support as part of providing full service shall notify HAS Information Technology personnel two days prior to modifications that may be made to the equipment. HAS shall provide time, if required, and ready access for On Call personnel. The time required shall be mutually agreed upon by On Call support and HAS, and shall be in addition to the normal maintenance hours.
- 3.20.6 Contractor shall review error logs and make any system adjustments necessary.
- 3.20.7 Certification of all applicable Operating System service patches and service packs shall be available within a month of public release.
- 3.20.8 Contractor shall create a complete backup of HAS Audio Control System. This backup shall be performed monthly and shall be retained in Contractor's corporate office for recovery procedures in the event of a system failure. The backup data is property of HAS and considered security sensitive information.
- 3.20.9 Contractor shall inform HAS of new messages/recordings as they become available. Upon HAS approval, messages will be customized to HAS during the term of the Agreement.

3.21 CONTRACTOR-FURNISHED PARTS

- 3.21.1 HAS shall provide a climate controlled secure storage (free of charge). Contractor shall maintain a spare parts inventory sufficient to maintain the highest levels of performance and service. Contractor warrants that all parts, components, supplies, and equipment replaced or newly installed must be new (not more than a year old) and free from defects in material and workmanship and must conform to OEM specification.

3.22 DISPOSAL OF USED PARTS

- 3.22.1 Contractor/subcontractor shall dispose of all worn/defective scrap parts and waste or hazardous materials resulting from the Work under the Agreement. Contractor shall act prudently in all aspects of handling, transporting, and disposal of worn/defective scrap parts and waste or hazardous materials to ensure the highest level of safety to the environment and to public health. Contractor shall secure all licenses and permits and provide any required documentation associated with hazardous materials as required by law and must ensure that any disposal facilities to which any scrap, waste, or hazardous materials may be moved are in full compliance with federal, state, and local laws and regulations. Worn or defective parts must not be stored on Airport premises. Contractor shall notify the Director when these parts are to be removed from HAS property.

4.0 OTHER WORK/SERVICES

- 4.1 Within the general scope of the Agreement, Other Work/Services may be required for systems, components, equipment, and services to meet desired conditions and/or services not covered in the Basic Services of the Agreement. Other Work/Services

shall be performed in accordance with all provisions of the Agreement plus any special provisions issued with authorization for work that is consistent with the Agreement. Other Work/Services shall be provided by Contractor on an "as needed" basis and then, only after receipt of a written Other Work/Services Request (OSR), signed by the Director. Other Work/Services include, but are not limited to, the following:

- 4.1.1 Upgrades/Modifications
- 4.1.2 Additional equipment and/or parts needed for replacement and expansion.
- 4.1.3 Repair or replace components damaged by vandalism, force majeure, or other third parties as determined by the Director.

4.2 Performing Other Work/Services

- 4.2.1 Other Work/Services shall be performed in accordance with all provisions of the Agreement and any special provisions issued with the Other Work/Services Request (OSR).
- 4.2.2 Before issuing an OSR, the Director or his designee will first issue a written notice to Contractor detailing the specific Other Work/Services to be performed by Contractor.
- 4.2.3 In response to any such written notice, Contractor shall provide Director with a written proposal within 3 business days of receipt of OSR Request. The proposal must include a description of the services to be performed, applicable labor rates set forth in the pricing form – Other Work/Services Fees, estimated labor hours, performance schedule, total estimated cost, and any other requirements set forth in the written notice to Contractor.
- 4.2.4 Contractor shall furnish all materials, labor, tools, equipment, transportation, and incidentals for accomplishing the described services or as otherwise specified by Director consistent with the Agreement. Director will not approve an OSR without a specified completion date. Contractor shall complete all such Other Work/Services within the time specified in the OSR. Contractor can request in writing an extension to the completion date. However, Director may or may not allow the extension. Director's decision is final.
- 4.2.5 Upon receipt of Contractor's proposal, Director has the option to reject Contractor's proposal, require resubmission with revised or additional information, or issue an OSR. Should Director reject Contractor's proposal and require resubmission, Contractor shall resubmit a modified proposal within 3 business days of the rejection.
- 4.2.6 Upon approval by Director of the modified proposal, an OSR will be issued. Contractor shall commence Work as stated in the OSR. Contractor shall diligently work to completion in accordance with the terms and conditions of the Agreement and the approved OSR.
- 4.2.7 Labor costs must not exceed the rate stated in the Pricing Form – Other Work/Services Fees.

- 4.2.8 When Other Work/Services have been completed, a copy of the approved OSR must accompany the monthly invoice.
- 4.2.9 While performing Work on any OSR, if hidden damage or additional cost is discovered, Contractor shall notify Director immediately. After determining the extent of hidden damage a supplemental OSR must be submitted.
- 4.2.10 In the case of emergency service, Contractor may perform Other Work/Services upon the verbal approval of Director. However, during the next business day, Director will submit a written Emergency Service Request to the Contractor.
- 4.2.11 If it is determined an Other Work/Services scope of Work should be covered under Basic Services, any amount paid to the Contractor under Other/Services Request will be reimbursed to the City by the Contractor. The City does not waive any of its rights and remedies whether by statute, at law, in equity, or under this Agreement.
- 4.1 Examples of OSR candidate items include, but are not limited to:
 - 4.3.1 Employee training outside the normal schedule
 - 4.3.2 Rewiring
 - 4.3.3 Exchange of large speakers
 - 4.3.4 Design reviews

5.0 TRAINING

- 5.1 Contractor shall provide a three day training seminar annual five day factory training course for HAS personnel (maximum seven employees) of products that include hardware, software and operational training at Contractor's facility. Transportation from Contractor approved lodging to and from the training facility, meals, and lodging at no charge to HAS employees as long as the Agreement is in force. HAS is responsible for transportation of its employees from HAS to training facility.

6.0 PERSONNEL REQUIREMENTS

Contractor shall comply with the following Personnel Requirements:

6.1 GENERAL

- 6.1.1 Contractor shall provide a list of all Contractor employees to HAS. The list must state each employee's name, job title, and assigned responsibilities. List of personnel shall be provided within 10 days after Notice to Proceed.

6.2 STAFFING

- 6.2.1 Contractor shall furnish the necessary number of personnel, fully competent, qualified, and skilled in all trades necessary to fulfill the requirements of the Agreement.
- 6.2.2 Contractor shall at all times enforce discipline and good order among its employees

and shall employ only reliable persons who are skilled and experienced in their assigned task(s) under the Agreement.

6.3 PERSONNEL QUALIFICATIONS AND APPROVAL

- 6.3.1 Contractor's support personnel must be IED certified in the skills necessary for audio control system maintenance for which they are responsible.

6.4 SECURITY AND BADGING

- 6.4.1 Contractor shall comply with all applicable Federal rules governing security at the Airport, as may be amended from time to time.
- 6.4.2 All on-site personnel of Contractor, including subcontractors, are required to undergo a fingerprint-based criminal history records check. During first visit, HAS personnel will escort the contractors to all applicable work areas for Audio Control System Health Check.
- 6.4.3 The cost of badges, which is subject to change, is currently \$45.00 each at IAH and HOU. Costs for the fingerprint-based criminal history records check are reflected in the cost of the badges. Contractor is responsible for the cost of badges, including replacements thereof. Contractor personnel losing badges will be charged for replacement badges at the then current rate.
- 6.4.4 Contractor shall reimburse the City for any fines or penalties incurred by the City as a result of Contractor's non-compliance with security regulations.

6.5 TRANSPORTATION AND PARKING

- 6.5.1 Contractor and its subcontractor(s) shall park their vehicles in areas designated by the Director at Contractor's cost, if any. Contractor shall provide all transportation required by Contractor or its subcontractors to perform the Work under the Agreement. All Contractor and subcontractor vehicles must be clearly marked with identification indicating Contractor's/subcontractor's name. Such identification must be placed on both sides of each vehicle and may be removable (i.e. magnetic). All vehicles must be registered with HAS.
- 6.5.2 HAS will reimburse Contractor's travel expenses up to the most economically and reasonable commercial carrier subject to HAS approval.

6.6 DAMAGE TO CITY PROPERTY

- 6.6.1 The Contractor shall be responsible for the repair and cost thereof, of all damages to City property caused by carelessness or neglect on the part of the Contractor, its agents or employees.

7.0 ADMINISTRATIVE TASKS

Contractor shall comply with the following Administrative Tasks:

7.1 RECORDS AND REPORTS

- 7.1.1 Contractor shall develop and maintain records as built drawings, and reports on the operation and maintenance of the Audio Control System. Upon expiration or termination of the Agreement, all records produced and maintained on file shall become the property of the City. All sensitive information generated during the term of the Agreement is HAS property and shall be accessible at any time to HAS. Contractor may retain accounting files, but shall furnish a copy of the accounting files to HAS.
- 7.1.2 Contractor shall comply with all Transportation Safety Administration (TSA) safety and security rules that TSA may develop now and in the future.

8.0 SAFETY GENERAL

8.1 SAFETY PROGRAM

- 8.1.1 CONTRACTOR SHALL NOT REQUIRE ANY PERSON TO WORK IN SURROUNDS OR UNDER WORKING CONDITIONS THAT ARE UNSANITARY, HAZARDOUS, OR DANGEROUS TO THEIR HEALTH OR SAFETY. CONTRACTOR SHALL COMPLY WITH ALL PROVISIONS OF THE OCCUPATIONAL HEALTH AND SAFETY ACT (OSHA).
- 8.1.2 CONTRACTOR SHALL BE COMPLETELY FAMILIAR WITH, AND SHALL ENFORCE ALL CITY, STATE OF TEXAS AND FEDERAL OSHA REGULATIONS AND REQUIREMENTS AS APPLICABLE, INCLUDING BUT NOT LIMITED TO, THE FOLLOWING:
 - 8.1.2.1 Contractor personnel must wear applicable personal protection equipment at all times.
 - 8.1.2.2 Contractor personnel operating equipment or handling materials must be fully trained in the safe operation of the equipment or materials.
 - 8.1.2.3 Contractor personnel must follow and apply safety practices prevailing in their applicable industry.
 - 8.1.2.4 Contractor shall mark Work areas in locations accessed by the public with appropriate safety signs to protect the public from injury.
 - 8.1.2.5 Contractor shall develop, implement and maintain an on-going safety program concerned with audio control system work, and related procedures.
 - 8.1.2.6 Contractor shall post safety warnings as necessary to ensure safe operations.
 - 8.1.2.7 When Contractor becomes aware of a hazardous or potentially hazardous condition during the course of performing services, Contractor shall verbally notify Director. Contractor shall make such notification immediately upon detection of the condition. Contractor shall detail conditions along with non-hazardous conditions and recommendations in its semiannual inspection report.

8.2 MATERIAL SAFETY DATA SHEETS

- 8.2.1 MSDS for all chemicals must be kept on site and employees must be advised of their location.
- 8.2.2 The Contractor shall furnish to each Airport all MSDS. (OSHA form 174), for each product used in each facility. A Material Safety Data Sheet must accompany each product shipment to the facilities.

8.3 REGULATORY REQUIREMENTS

- 8.3.1 To protect the life and health of employees and other persons; to prevent damage to property, materials, supplies, and equipment; and to avoid Work interruptions, Contractor shall comply with the latest 29 CFR 1910, Occupational Safety and Health Standards (General Industry Standards) as revised or amended from time to time. Compliance with OSHA and other applicable laws and regulations for the protection of employees is exclusively the obligation of Contractor, and the City assumes no liability or responsibilities for Contractor's compliance or noncompliance with such responsibilities. CONTRACTOR SHALL INDEMNIFY THE CITY FOR ANY CLAIMS, FINES, OR DEMANDS RESULTING FROM CONTRACTOR'S FAILURE TO COMPLY WITH OSHA REQUIREMENTS.

8.4 ACCIDENT REPORTS

- 8.4.1 Contractor shall comply with all OSHA reporting requirements for record keeping and reporting of all accidents resulting in death, injury, occupational disease, or adverse environmental impact. The Contractor shall notify the Director immediately of any accident. Contractor shall cooperate with the Houston Airport System Safety Officer, providing written documentation and any information required for their records.

8.5 FIRE REGULATIONS

- 8.5.1 Contractor shall comply with City of Houston Fire Codes. Contractor shall instruct its personnel on the fire regulation. All personnel must be thoroughly familiar with the identification and operation of available fire fighting equipment.

8.6 ENVIRONMENTAL REQUIREMENTS

- 8.6.1 Contractor shall comply with all applicable federal, state, and local environmental protection laws, regulations, and standards. Contractor shall comply with any other statutory requirements for clean air, clean water, toxic substances control, pollution control, resource conservation and recovery. All environmental protection matters or questions must be coordinated with the Houston Airport System Safety Officer.

8.7 PHYSICAL SECURITY OF WORK AREAS

- 8.7.1 Contractor shall be responsible for security of all facilities, materials, and equipment utilized during the performance period. In case of forced entry or theft, Contractor shall notify the Director immediately and assist in the investigation.

8.8 STOP-WORK

- 8.8.1 Contractor shall be responsible for the enforcement of all safety requirements or any Work performed under the Agreement. If Contractor fails or refuses to promptly comply with safety requirements, the Director may issue an order stopping all or part of the Work until satisfactory corrective action has been taken. No part of the time lost due to any such order will be made the subject of a claim for extension of time or for excess costs or damages to Contractor.

9.0 WARRANTY ADMINISTRATION

- 9.1 All warranty periods under the Agreement begin upon beneficial use of the equipment. Beneficial use begins upon acceptance of any component, equipment or system by HAS.

- 9.2 Contractor shall assume warranty of all existing IED supplied equipment.

10.0 CONTRACTOR EQUIPMENT

- 10.1 All Contractor furnished property and material must meet applicable federal, state, and City laws, codes, and regulations. All Contractor equipment must be clean, properly maintained, and properly secured when not in use. Contractor shall remove all Contractor-owned items upon expiration or termination of the Agreement. Contractor's equipment includes, but not limited to the following:

10.1.1 Safety equipment

10.1.2 Temporary barricades, stanchions, signs

10.1.3 Protective clothing and gear

11.0 QUALITY CONTROL (QC)

11.1 HAS QUALITY CONTROL

- 11.1.1 The Proposer will develop a QC Inspection sheet subject to HAS approval. Proposer shall maintain a file of all inspections conducted.

11.2 HAS QUALITY ASSURANCE

- 11.2.1 HAS may use a variety of inspection methods to evaluate Contractor's performance.

- 11.2.2 HAS maintains the right to conduct inspections of the audio control system and logs without prior notice to Contractor.

12.0 INCREASE OR DECREASE OF WORK – INCLUSION/EXCLUSION

12.1 From time to time throughout the Term of the Agreement, the Director may, by written notice to Contractor, increase and/or decrease the Work. Contractor's sole compensation for such adjustment will be mutually agreed between the Director and Contractor. The director's decision is final.

13.0 COORDINATE PERFORMANCE

Contractor shall coordinate Performance as follows:

13.1 HAS CONTACT

13.1.1 Contractor shall coordinate its performance with such persons as the Director designates in writing to Contractor. Contractor shall keep said persons currently advised of developments relating to the performance of the Agreement and Contractor shall at all appropriate times advise and consult with the Director.

14.0 PRE-PERFORMANCE CONFERENCE CALL

14.1 Prior to commencing performance under the Agreement, Contractor shall participate in a pre-performance conference call with HAS. HAS will specify the time and date of the call in a written notice to Contractor. Representatives of Contractor present for the pre-performance conference call shall include key personnel whom Contractor has assigned to the Agreement and who shall be authorized to bind Contractor in matters relating to the following pre-performance conference items. However, the Director will have the right to further designate other representatives of Contractor who must be present at the pre-performance conference call and such designated representatives shall be present. Items to be addressed at the pre-performance conference call include the following:

14.1.1 Contract Administration

14.1.2 Facility utilization

14.1.3 Channels of communication

14.1.4 Review of key personnel resumes and certifications

14.1.5 Organization and function charts reflecting the line of management authority

15.0 COORDINATION OF CONFERENCE CALLS

15.1 Throughout the term of the Agreement and any extensions thereto, Contractor shall participate in conference calls with HAS, on a frequency determined by the Director, to identify and resolve performance issues. Notice of any such performance conference call may be given by the Director to Contractor either orally or in writing and will designate the time, date, Contractor's attendees, and general purpose. Contractor's designated attendees shall be present at any such performance conference call for its duration and shall prepare minutes. The conference call minutes must be transcribed by Contractor in typewritten form and must be submitted to the Director for approval within five (5) days of any such conference call. The Director will have the right to dispute the accuracy of the minutes and will note any discrepancies in the minutes prior to approval. Once approved, the original will be retained by HAS and a copy thereof submitted to Contractor.

16.0 SCHEDULE OF PERFORMANCE

- 16.1 Contractor shall commence performance under the Agreement on the date specified in a written Notice to Proceed signed by the Director, and shall diligently perform Work activities in strict compliance with the Agreement.

17.0 INVOICING

- 17.1 Contractor shall submit its invoices for work completed on a form(s) approved in advance by the Director; invoices must be accompanied by support documents requested by the Director.
- 17.2 Each invoice submitted must be in duplicate and each copy must include the required attachments. The invoice must be identified by the Agreement name and Agreement number. All invoices are to be delivered or mailed to the following location:

City of Houston
Houston Airport System
Finance Division/Accounts Payable
P.O. Box 60106
Houston, Texas 77205-0106

- 17.3 Contractor shall provide separate monthly invoices for any completed work at each Airport.
- 17.4 Invoices submitted for services performed as the result of change orders require copies of the applicable change order be attached to the original and each of the two (2) invoice copies.

18.0 DISPUTES

- 18.1 In all cases of misunderstanding and disputes, the terms of the Agreement governs.

19.0 DAMAGE TO CITY PROPERTY

- 19.1 The Contractor shall pay for the repair, of all damaged City property caused by carelessness or neglect on the part of the Contractor, its agents or employees.

20.0 CONTINGENCIES

- 20.1 HAS must meet certain objectives of readiness for emergencies, natural disaster, and other contingencies and must react to such contingencies without delay. Such reaction may have an impact upon Contractor's operation. In order to plan for such events, Contractor shall prepare Contingency Plans as follows:

20.1.1 Natural disasters such as a major storm, flood, high winds, etc.

20.1.2 Labor dispute or strike by Contractor personnel. The Plan must be updated on an annual basis, or as changes occur, and submitted to the Director.

- 20.2 Plans must take into account passenger safety, rowdiness, vandalism, intoxication, fire, smoke, power outages, etc. The contractor is required to respond within 30 minutes.

21.0 ESTIMATED QUANTITIES NOT GUARANTEED

21.1 The estimated quantities specified herein are not a guarantee of actual quantities, as the City does not guarantee any particular quantity of audio control services during the term of the Agreement. The quantities may vary depending upon the actual needs of the user Department. The quantities specified herein are good faith estimates of usage during the term of the Agreement. Therefore, the City shall not be liable for any contractual agreements/obligations the Contractor enters into based on the City purchasing/requiring all of the quantities specified herein.

22.0 CONTRACTOR'S FINANCIAL OBLIGATION

22.1 Contractor shall make timely payments to all persons supplying labor and materials or furnishing it with any equipment in the execution of the Agreement.

23.0 DRIVER'S LICENSE

23.1 Contractor's employees performing Work for the City must possess a valid driver's license for the type of vehicle or equipment operated. Contractor shall ensure its employees meet this requirement.

24.0 FORCE MAJEURE

24.1 Notwithstanding anything to the contrary in this Contract, neither the City nor the Contractor will be liable to the other party for performance of their respective obligations under this Contract if such performance is prevented by the occurrence of a Force Majeure Event. However, if the Contractor is unable to provide the Maintenance on Audio Control System and related equipment as required by the Agreement due to the occurrence of a Force Majeure Event, and the Contractor is not able to restore full operation of the Audio Control System within five days, then the City may elect to terminate the Agreement in accordance with Agreement.

EXHIBIT A-1

COVERED SYSTEMS AND COMPONENTS

SCHEDULE 1A

Schedule of Covered Systems and Components

William P Hobby

Equipment

1. Input and output cards
2. Mic stations
3. IED amplifiers
4. Power supplies
5. Ambient analysis (in current working order)
6. IED processors (in current working order)
7. 8000 EQ
8. Monitor Testing

QTY	Part Number	Description
<u>3rd Floor Equipment. Room Number 3.Y9</u>		
4	IED 405L	Power Supply Card
1	IED 407PS	Power Supply Frame
3	IED 415L	Power Supply Card
1	IED 453L	Power Supply CPU
2	IED 500ACSM	ACS Frame
6	IED 500C	Input Card
9	IED 500D	Output Card
1	IED 500R	Buss Card (rev 3.05)
1	IED 508 BIO	Interface
4	IED 508T-2	Telephone Interface
1	IED 510CPU	CPU Card
1	IED 510N	Network Card
18	IED 540IAC	Card
2	IED 540M	Frame
1	IED 590RM	ACS Computer w/Windows
1	IED 590RM	ACS Computer w/DOS
5	IED 596	CPU Card
3	IED 8000ml	DSP CPU Card
34	IED 8044 DSP	DSP Card
	XP Pro	Software
	ACS plus v6.1.84b-std	Software
<u>Various Locations throughout the Airport</u>		
43	IED 508HFM-H	Microphone Stations
43	IED 500HH	Microphone

SCHEDULE 1B

Schedule of Covered Systems and Components

IAH FIS Bldg., System #7

Equipment

1. Input and output cards
2. Mic stations
3. IED amplifiers
4. Power supplies
5. Ambient Analysis (in current working order)
6. IED processors (in current working order)
7. Digital ASC paging
8. 8000 EQ

590 CPU QTY	Part Number	Description
<u>FIS MDF</u>		
2	IED 405L	Power Supply Card
1	IED 407PL	Power Supply Frame
5	IED 415L	Power Supply Card
1	IED 453L	Power Supply CPU
2	IED 500ACSML	ACS Frame
9	IED 500D	Output Card
1	IED 500R	Buss Card (v4.00)
1	IED 508BIO	ACS Interface
8	IED 508T	Telephone Interface
2	IED 510CPU	CPU Card
2	IED 510N	Network Card
2	IED 540AC	Card
0	IED 540C	Input Card
12	IED 540IAC	Card
2	IED 540M	Frame
1	IED 590RM	ACS Computer
1	IED 590RM	w/Windows
4	IED 596	ACS Computer w/DOS
6	IED 6160-8L	CPU Card
40	IED 6272L	Amplifier Frame
6	IED 6416s	Amplifier
2	IED 8000ml	Backup Switch
14	IED 8044 DSP	Frame
	XP pro 5.1.2600 sp1	Card
	build2600	Software
	ACS plus v6.1.84b	Software
<u>Remote Rack</u>		
10	IED 508HFM	Microphone Station
12	IED 500HH	Microphone
7	IED 540AC	Card
7	IED 540IAC	Card
2	IED 540M	Frame
2	IED 596	CPU Card
4	IED 6160-8L	Amplifier Frame
31	IED 6272L	Amplifier
4	IED 6416s	Backup Switch

SCHEDULE 1C
Schedule of Covered Systems and Components

IAH Terminal A, System #1

Equipment

1. Input and output cards
2. Mic stations
3. IED amplifiers
4. Power supplies
5. Ambient analysis (in current working order)
6. IED processors (in current working order)
7. Digital ASC paging

QTY	Part Number	Description
2	IED 405L	Power Supply Card
1	IED 407PL	Power Supply Frame
2	IED 415L	Power Supply Card
1	IED 453L	Power Supply CPU
2	IED 500ACSML	ASC Frame
10	IED 500C	Input Card
7	IED 500D	Output Card
1	IED 500R	Buss Card (rev 3.05)
6	IED 508T	Telephone Interface
1	IED 510CPU	CPU Card
2	IED 510N	Network Card
2	IED 540IAC	Card
1	IED 540M	Frame
1	IED 590RM	ACS Computer w/Windows
1	IED 590RM	ACS Computer w/DOS
2	IED 596	CPU Card
	Win 2000 Pro 5.0.2195 sp4	
	Build 2195	Software
	ACS plus v6.1.84b-std	Software
	540 is DOS based	Software
	<u>Remote Rack North</u>	
1	IED 596	CPU Card
22	IED 6270L	Amplifier
3	IED 6800	Amplifier Frame
	<u>Remote Rack South</u>	
1	IED 596	CPU Card

SCHEDULE 1D

Schedule of Covered Systems and Components

IAH Terminal B, System #2

Equipment

1. Input and output cards
2. Mic stations
3. IED amplifiers
4. Power supplies
5. Ambient analysis (in current working order)
6. IED processors (in current working order)
7. Digital ASC paging

QTY	Part Number	Description
<u>B MDF</u>		
2	IED 405L	Power Supply Card
1	IED 407PL	Power Supply Frame
3	IED 415L	Power Supply Card
1	IED 453L	Power Supply CPU
2	IED 500ACSML	ACS Frame
9	IED 500C	Input Card
5	IED 500D	Output Card
5	IED 508HFMH	Microphone Stations
5	IED 500HH	Microphone
1	IED 500R	Buss Card (rev 3.05)
2	IED 508t	Telephone Interface
1	IED 510CPU	CPU Card
1	IED 510N	Network Card
2	IED 540IAC	Card
1	IED 540M	Frame
1	IED 590RM	ACS Computer w/Windows
1	IED 590RM	ACS Computer w/DOS
2	IED 596	CPU Card
	Win 2000 sp1	Software
	ACS plus 6.1.84b	Software
	DOS machine works 5.3.12	Software
	540 is DOS	Software
<u>Remote Rack Flight Station 5</u>		
8	IED 500HFMH	Microphone Station
8	IED 500HH	Microphone
1	IED 596	CPU Card
<u>Remote Rack Flight Station 6</u>		
8	IED 500HFMH	Microphone Station
8	IED 500HH	Microphone
1	IED 596	CPU Card
<u>Remote Rack Flight Station 7</u>		
8	IED 500HFMH	Microphone Station
8	IED 500HH	Microphone
1	IED 596	CPU Card
<u>Remote Rack Flight Station 8</u>		

SCHEDULE IE

Schedule of Covered Systems and Components

IAH Terminal C, System #3 (Baggage Claim)

Equipment

1. Input and output cards
2. Mic stations
3. IED amplifiers
4. Power supplies
5. Ambient Analysis (in current working order)
6. IED processors (in current working order)
7. Digital ASC paging
8. 8000 EQ

QTY	Part Number	Description
<u>BAG CLAIM IDF</u>		
2	IED 405L	Power Supply Card
1	IED 407PL	Power Supply Frame
0	IED 415L	Power Supply Card
1	IED 453L	Power Supply CPU
2	IED 500ACSM	ACS Frame
10	IED 500C	Input Card
6	IED 500D	Output Card
2	IED 500HFM	Microphone Station
2	IED 500HH	Microphone
1	IED 500R	Buss Card (rev 3.05)
8	IED 508T	Telephone Interface
1	IED 510CPU	CPU Card
1	IED 510N	Network Card
2	IED 540IAC	Card
1	IED 540M	Frame
1	IED 590RM	ACS Computer w/Windows
1	IED 590RM	ACS Computer w/DOS
2	IED 596	CPU Card
	Win 2000 pro 5.0.2.2195 sp1 build 2195	Software
	ACS plus 6.1.84b-std	Software
	DOS machine operational 5.3.12	Software
	540 is DOS	Software

SCHEDULE 1F

Schedule of Covered Systems and Components

IAH Terminal C, MDF (renovation) System #6

Equipment

- 20.1 Input and output cards
- 20.2 Mic stations
- 20.3 IED amplifiers
- 20.4 Power supplies
- 20.5 Ambient Analysis (in current working order) Windows 540 to be addressed on site visit
- 20.6 IED processors (in current working order)
- 20.7 Digital ASC paging
- 20.88000 EQ software to be addressed on site visit

QTY	Part Number	Description
<u>CMDF</u>		
2	IED 405L	Power Supply Card
1	IED 407PL	Power Supply Frame
6	IED 415L	Power Supply Card
1	IED 453L	Power Supply CPU
3	IED 500AC SML	ACS Frame
11	IED 500C	Input Card
10	IED 500D	Output Card
1	IED 500R	Buss Card (v4.00)
1	IED 510CPU	CPU Card
1	IED 510N	Network Card
1	IED 590RM	ACS Computer w/Windows
1	IED 590RM	ACS Computer w/DOS
2	IED 596	CPU Card
1	IED 8000ml	Frame
10	IED 8044 DSP	Card
	Win 2000 server 5.0.2195 sp3 build 2195	Software
	ACS plus 6.1.84b-std	Software
	DOS machine operational 5.3.12	Software
<u>Remote Rack North IDF</u>		
7	IED 5401AC	Card
1	IED 540M	Frame
2	IED 596	CPU Card
6	IED 6800-8L	Amplifier Frame
44	IED 6270L	Amplifier
<u>Remote Rack South IDF</u>		
69	IED 508HFM	Microphone Station
69	IED 500HH	Microphone
1	IED 540AC	Card
7	IED 540IAC	Card
1	IED 540M	Frame
2	IED 596	CPU Card
8	IED 6800-8L	Amplifier Frame
57	IED 6270L	Amplifier

SCHEDULE 1G

Schedule of Covered Systems and Components

IAH Terminal D, System #4

Equipment

1. Input and output cards
2. Mic stations
3. IED amplifiers
4. Power supplies
5. Ambient Analysis (in current working order)
6. IED processors (in current working order)
7. Digital ASC paging

QTY	Part Number	Description
	<u>DMDF</u>	
1	IED 405L	Power Supply Card
3	IED 415L	Power Supply Card
1	IED 453L	Power Supply CPU
2	IED 500ACSM	ACS Frame
2	IED 500C	Input Card
5	IED 500D	Output Card
1	IED 500R	Buss Card (v3.05)
6	IED 508T	Telephone Interface
1	IED 510CPU	CPU Card
1	IED 510N	Network Card
5	IED 540IAC	Card
1	IED 540M	Frame
1	IED 590RM	ACS Computer w/Windows
1	IED 590RM	ACS Computer w/DOS
2	IED 596	CPU Card
11	Crown CT200	Amplifier
6	Crown CT400	Amplifier
1	SHUR DFR22	DSP Audio Processor
	Win 2000 pro 5.0.2195 sp1 build 2195	Software
	ACS plus 6.1.84b-std	Software
	DOS machine is operational 5.3.12	Software
	540 is DOS	Software

SCHEDULE 1H

Schedule of Covered Systems and Components

IAH Terminal E, System #5

Equipment

- 20.9 Input and output cards
- 20.10 Mic stations
- 20.11 IED amplifiers
- 20.12 Power supplies
- 20.13 Ambient Analysis (in current working order)
- 20.14 IED processors (in current working order)
- 20.15 Digital ASC paging
- 20.16 8000 EQ

QTY	Part Number	Description
	<u>EMDF</u>	
2	IED 405L	Power Supply Card
1	IED 407PL	Power Supply Frame
6	IED 415L	Power Supply Card
1	IED 453L	Power Supply CPU
3	IED 500ACSM	ACS Frame
7	IED 500C	Input Card
18	IED 500D	Output Card
1	IED 500R	Buss Card (v3.05)
1	IED 508BIO	ACS Interface
2	IED 508T	Telephone Interface
1	IED 510CPU	CPU Card
2	IED 510N	Network Card
3	IED 540AC	Card
36	IED 540IAC	Card
4	IED 540M	CPU Card
1	IED 590RM	ACS Computer w/Windows
1	IED 590RM	ACS Computer w/DOS
8	IED 596	CPU Card
4	IED 6160-8L	Amplifier Frame
31	IED 6272L	Amplifier
4	IED 6416S	Backup Switch
3	IED 8000mi	Frame
31	IED 8044 DSP	Card
1	APC SU3000RW3U	UPS
	xp pro v2002 (590r)	Software
	ACS plus v6.1.84b-std	Software
	<u>Remote Rack East</u>	
2	IED 596	CPU Card
4	IED 6160-8L	Amplifier Frame
29	IED 6272L	Amplifier
4	IED 6416s	Backup Switch
	<u>Remote Rack West</u>	
46	IED 508HFM	Microphone Station
46	IED 500HH	Microphone
2	IED 596	CPU Card
3	IED 6160-8L	Frame
24	IED 6272L	Amplifier
3	IED 6416s	Backup Switch

SCHEDULE 1.1
Critical Spare Parts

The following critical spare parts will be provided by Contractor for HAS as part of the Agreement. The spare parts will be stored at HAS. HAS will provide a secure, environmentally controlled storage area for spare parts at no charge to Contractor.

<u>Quantity</u>	<u>Item Number</u>
1	IEDA510CPU
1	IEDA500R
1	IEDA540PSL
1	IEDA540CPU
1	IEDA500C
1	IEDA500D
1	IEDA453L
1	IEDA415L
1	IEDA405L
1	IEDA510N

EXHIBIT B

FEE SCHEDULE

For the prices quoted, Contractor shall furnish all necessary management, supervision, labor, parts, materials, consumables, equipment, diagnostics, lubricants, tools, instruments, reports, transportation, insurance, sub-contracts, bonds, incidentals and other associated support equipment and appurtenances to perform the Work as specified in the Agreement.

All quantities listed are estimated quantities for budgetary purposes only. The actual quantities may be higher or lower than any estimates, and Contractor shall be paid only for actual Work performed, subject to prior HAS direction and approval.

Year 1 - Total Basic Service, Annual Training and Other Work Services

Item	Description	Basic Cost	System Check	Labor Hour	Labor Rate	Labor Cost	Material	% Disc.	Disc. Amount	Material total	Year 1 Totals
1a	Total Basic Service and Training	\$240,000.00									\$240,000.00
1b	One-time Sys Check		\$50,000.00								\$0.00
1c	OWS - Labor Cost			\$20.00	\$180.00	\$3,600.00					\$3,600.00
1d	OWS - Material Cost						\$5,000.00	10%	\$500.00	\$4,500.00	\$4,500.00
										Year 1 Total	\$298,100.00

Year 2 - Total Basic Service, Annual Training and Other Work Services

Item	Description	Basic Cost	System Check	Labor Hour	Labor Rate	Labor Cost	Material	% Disc.	Disc. Amount	Material total	Year 2 Totals
1a	Total Basic Service and Training	\$244,800.00									\$244,800.00
1b	One-time Sys Check		\$0.00								\$0.00
1c	OWS - Labor Cost			\$20.00	\$194.00	\$3,880.00					\$3,880.00
1d	OWS - Material Cost						\$5,000.00	10%	\$500.00	\$4,500.00	\$4,500.00
										Year 2 Total	\$253,180.00

Year 3 - Total Basic Service, Annual Training and Other Work Services

Item	Description	Basic Cost	System Check	Labor Hour	Labor Rate	Labor Cost	Material	% Disc.	Disc. Amount	Material total	Year 3 Totals
1a	Total Basic Service and Training	\$249,696.00									\$249,696.00
1b	One-time Sys Check		\$0.00								\$0.00
1c	OWS - Labor Cost			\$20.00	\$210.00	\$4,200.00					\$4,200.00
1d	OWS - Material Cost						\$5,000.00	10%	\$500.00	\$4,500.00	\$4,500.00
										Year 3 Total	\$258,396.00

Year 4 - Total Basic Service, Annual Training and Other Work Services

Item	Description	Basic Cost	System Check	Labor Hour	Labor Rate	Labor Cost	Material	% Disc.	Disc. Amount	Material total	Year 4 Totals
1a	Total Basic Service and Training	\$254,689.00									\$254,689.00
1b	One-time Sys Check		\$0.00								\$0.00
1c	OWS - Labor Cost			\$20.00	\$227.00	\$4,540.00					\$4,540.00
1d	OWS - Material Cost						\$5,000.00	10%	\$500.00	\$4,500.00	\$4,500.00
										Year 4 Total	\$263,729.00

Year 5 - Total Basic Service, Annual Training and Other Work Services

Item	Description	Basic Cost	System Check	Labor Hour	Labor Rate	Labor Cost	Material	% Disc.	Disc. Amount	Material total	Year 5 Totals
1a	Total Basic Service and Training	\$260,067.00									\$260,067.00
1b	One-time Sys Check		\$0.00								\$0.00
1c	OWS - Labor Cost			\$20.00	\$245.00	\$4,900.00					\$4,900.00
1d	OWS - Material Cost						\$5,000.00	10%	\$500.00	\$4,500.00	\$4,500.00
										Year 5 Total	\$269,467.00

5 - Year Summary

Years	Basic Cost	System Check	OWS Labor	OWS Material	Total Cost
Year 1	\$240,000.00	\$50,000.00	\$3,600.00	\$4,500.00	\$298,100.00
Year 2	\$244,800.00	\$0.00	\$3,880.00	\$4,500.00	\$253,180.00
Year 3	\$249,696.00	\$0.00	\$4,200.00	\$4,500.00	\$258,396.00
Year 4	\$254,689.00	\$0.00	\$4,540.00	\$4,500.00	\$263,729.00
Year 5	\$260,067.00	\$0.00	\$4,900.00	\$4,500.00	\$269,467.00
Totals	\$1,249,252.00	\$50,000.00	\$21,120.00	\$22,500.00	\$1,342,872.00

EXHIBIT "C"

EQUAL EMPLOYMENT OPPORTUNITY

1. The contractor, subcontractor, vendor, supplier, or lessee will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, or age. The contractor, subcontractor, vendor, supplier, or lessee will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, religion, color, sex, national origin, or age. Such action will include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training, including apprenticeship. The contractor, subcontractor, vendor, supplier or lessee agrees to post in conspicuous places available to employees, and applicants for employment, notices to be provided by the City setting forth the provisions of this Equal Employment Opportunity Clause.

2. The contractor, subcontractor, vendor, supplier, or lessee states that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex, national origin or age.

3. The contractor, subcontractor, vendor, supplier, or lessee will send to each labor union or representatives of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer advising the said labor union or worker's representative of the contractor's and subcontractor's commitments under Section 202 of Executive Order No. 11246, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4. The contractor, subcontractor, vendor, supplier, or lessee will comply with all provisions of Executive Order No. 11246 and the rules, regulations, and relevant orders of the Secretary of Labor or other Federal Agency responsible for enforcement of the equal employment opportunity and affirmative action provisions applicable and will likewise furnish all information and reports required by the Mayor and/or Contractor Compliance Officer(s) for purposes of investigation to ascertain and effect compliance with this program.

5. The contractor, subcontractor, vendor, supplier, or lessee will furnish all information and reports required by Executive Order No. 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to all books, records, and accounts by the appropriate City and Federal Officials for purposes of investigations to ascertain compliance with such rules, regulations, and orders. Compliance reports filed at such times as directed shall contain information as to the employment practice policies, program, and work force statistics of the contractor, subcontractor, vendor, supplier, or lessee.

6. In the event of the contractor's, subcontractor's, vendor's, supplier's, or lessee's non-compliance with the non-discrimination clause of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part, and the contractor, subcontractor, vendor, supplier, or lessee may be declared ineligible for further City contracts in accordance with procedures provided in Executive Order No. 11246, and such other sanctions may be imposed and remedies invoked as provided in the said Executive Order, or by rule, regulation, or order of the Secretary of Labor, or as may otherwise be provided by law.

7. The contractor shall include the provisions of paragraphs 1-8 of this Equal Employment

Opportunity Clause in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontractor or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event the contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

8. The contractor shall file and shall cause his or her subcontractors, if any, to file compliance reports with the City in the form and to the extent as may be prescribed by the Mayor. Compliance reports filed at such times as directed shall contain information as to the practices, policies, programs, and employment policies and employment statistics of the contractor and each subcontractor.

EXHIBIT "D"
MWBE SUBCONTRACTING GOAL WAIVER

EXHIBIT "E"

DRUG POLICY COMPLIANCE AGREEMENT

I, Hardison Martin (Chief Technical Officer) as an owner or officer of
(Name) (Print/Type) (Title)
IED Support Services, LLC (dba IED on Call) (Contractor)
(Name of Company)

have authority to bind Contractor with respect to its bid, offer or performance of any and all contracts it may enter into with the City of Houston; and that by making this Agreement, I affirm that the Contractor is aware of and by the time the contract is awarded will be bound by and agree to designate appropriate safety impact positions for company employee positions, and to comply with the following requirements before the City issues a Notice to Proceed:

1. Develop and implement a written Drug Free Workplace Policy and related drug testing procedures for the Contractor that meet the criteria and requirements established by the Mayor's Amended Policy on Drug Detection and Deterrence (Mayor's Drug Policy) and the Mayor's Drug Detection and Deterrence Procedures for Contractors (Executive Order No. 1-31).
2. Obtain a facility to collect urine samples consistent with Health and Human Services (HHS) guidelines and a HHS certified drug testing laboratory to perform the drug tests.
3. Monitor and keep records of drug tests given and the results; and upon request from the City of Houston, provide confirmation of such testing and results.
4. Submit semi-annual Drug Policy Compliance Declarations.

I affirm on behalf of the Contractor that full compliance with the Mayor's Drug Policy and Executive Order No. 1-31 is a material condition of the contract with the City of Houston.

I further acknowledge that falsification, failure to comply with or failure to timely submit declarations and/or documentation in compliance with the Mayor's Drug Policy and/or Executive Order No. 1-31 will be considered a breach of the contract with the City and may result in non-award or termination of the contract by the City of Houston.

September 08, 2009
Date

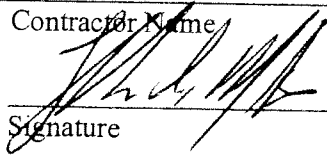
Hardison Martin
Contractor Name

Signature
Chief Technical Officer
Title

EXHIBIT "F"

CONTRACTOR'S CERTIFICATION
OF NO SAFETY IMPACT POSITIONS
IN PERFORMANCE OF A CITY CONTRACT

I, Hardison Martin, (Chief Technical Officer),
(Name) (Title)

as an owner or officer of IED Support Services, LLC (dba IED on Call) (Contractor)
(Name of Company)

have authority to bind the Contractor with respect to its bid, and hereby certify that Contractor has no
employee safety impact positions, as defined in '5.18 of Executive Order No. 1-31, that will be involved

in performing Audio Control Systems Contract.
(Project)

Contractor agrees and covenants that it shall immediately notify the City of Houston Director of Personnel
if any safety impact positions are established to provide services in performing this City Contract.

September 08, 2009
(Date)

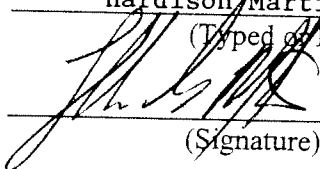
Hardison Martin
(Typed or Printed Name)

(Signature)
Chief Technical Officer
(Title)

EXHIBIT "G"
DRUG POLICY COMPLIANCE DECLARATION

I, Hardison Martin Chief Technical Officer as an owner or officer of
(Name) (Print/Type) (Title)
IED Support Services, LLC (Contractor)
(Name of Company)

have personal knowledge and full authority to make the following declarations:

This reporting period covers the preceding 6 months from 01/01 to 07/01, 2009.

[Signature]
Initials

A written Drug Free Workplace Policy has been implemented and employees notified. The policy meets the criteria established by the Mayor's Amended Policy on Drug Detection and Deterrence (Mayor's Policy).

[Signature]
Initials

Written drug testing procedures have been implemented in conformity with the Mayor's Drug Detection and Deterrence Procedures for Contractors, Executive Order No. 1-31. Employees have been notified of such procedures.

[Signature]
Initials

Collection/testing has been conducted in compliance with federal Health and Human Services (HHS) guidelines.

[Signature]
Initials

Appropriate safety impact positions have been designated for employee positions performing on the City of Houston contract. The number of employees in safety impact positions during this reporting period is 0.

[Signature]
Initials

From See Attachment "E" of RFP the following testing has occurred:
(Start date) (End date)

<u>Random</u>	<u>Reasonable Suspicion</u>	<u>Post Accident</u>	<u>Total</u>
---------------	---------------------------------	--------------------------	--------------

Number Employees Tested

See Attachment "E" of RFP

Number Employees Positive

Percent Employees Positive

[Signature]
Initials

Any employee who tested positive was immediately removed from the City worksite consistent with the Mayor's Policy and Executive Order No. 1-31.

[Signature]
Initials

I affirm that falsification or failure to submit this declaration timely in accordance with established guidelines will be considered a breach of contract.

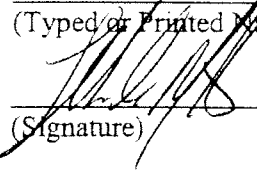
I declare under penalty of perjury that the affirmations made herein and all information contained in this declaration are within my personal knowledge and are true and correct.

September 08, 2009

(Date)

Hardison Martin

(Typed or Printed Name)


(Signature)

Chief Technical Officer

(Title)